

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA**§ 45.1-361.26****VIRGINIA:****BEFORE THE GAS AND OIL BOARD****APPLICANTS:**

CNX Gas Company on behalf of Ernest L. Mutter Heirs including Ruby G Mutter, Marcus E. Mutter, Brenda M. Skidmore, and Bruce V Mutter, plus Ira C. Mutter, Andrew D. Mutter, Wanda Padgett, Ema M. Mutter, Dallas Hess, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman et vir.

DOCKET NO.**01-0918-0923-02****RELIEF SOUGHT:**

Issuance: A Supplemental Order for Disbursement of Escrowed Funds

Action: Amending Prior Orders Affecting Drilling Unit Y26:
Tracts 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I, 1J, and 3B
(Referenced herein as "the Subject Drilling Unit")

Location: Buchanan County, Virginia

Action Details:

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit Y26 by Tract Sub-accounts;
- (2) To provide each applicant, in simple terms, a complete month over month Royalty Accounting of unit production, costs, taxes and proceeds, depicting variables used in the calculation of royalty payments to the unit escrow account.
- (3) To disburse unit funds to the Applicants, in accordance with their Unit Ownership Interests relative to those funds deposited by the Unit Operator into Subject Drilling Unit's Escrow Subaccount for VGOB Tract(s) identified in Table 1.

REPORT OF THE BOARD**FINDINGS AND ORDER**

1. **Hearing Date and Place:** This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on May 17, 2011, at the Russell County Conference Center, 135 Highland Drive, Lebanon, Virginia.
2. **Appearances:** Mark A. Swartz of Swartz Law Office appeared for the Applicant; and Sharon M.B. Pigeon, Sr. Senior Assistant Attorney General, was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract subaccounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract subaccounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements,

(3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

4. **Proceedings:**

- 4.1 (a) On September 18, 2001, the Board executed its order pooling interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Buchanan County on January 11, 2002, in Deed Book 537, Pages 654 to 672, Instrument 020000201. The Supplemental Order was executed and recorded in with the Clerk of the Circuit Court Buchanan County on July 8, 2002; Deed Book 550 Pages 82 to 93, Instrument 020002607.
- (b) On November 16, 2010, the Board heard and on December 17, 2010 executed its disbursement order in the Subject Drilling Unit for Tracts 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I, 1J and 3H. The Disbursement Order was filed with the Clerk of the Circuit Court of Buchanan County on December 21, 2010, Instrument 100003362.
- 4.2 To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to Pooling Order and testimony, the coal estate ownership interests Torch Oil and Gas Company and the gas ownership of Ernest L Mutter Heris, Ira C Mutter, Andrew D Mutter, Wanda Padgett, Ema M. Mutter, Dallas Hess, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman et vir in the Subject Drilling Unit were in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3 (a) The Unit Operator's Miscellaneous Petition regarding Tracts 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I, 1J and 3B a copy of which is attached to and made a part hereof, states under oath that Summary Judgement from the Buchanan County Circuit Court has decided an ownership split between Torch Oil and Gas Company coal ownership and the gas ownership of Ernest L Mutter Heris, Ira C Mutter, Andrew D Mutter, Wanda Padgett, Ema M. Mutter, Dallas Hess, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman et vir with regard to each of the Tracts.
- (b) Subsequent to the disbursement of funds on January 6, 2011, the Unit Operator did not begin direct payment of Royalties to the owners. Although the disbursement from escrow had taken place, CNX continued to pay funds attributable to their interest into the escrow account in January, February and March of 2011 in error. The attached Exhibit A-1 further specified the exact dollar amounts that should be disbursed and paid to each individual owner.*
- 4.4 The Unit Operator gave notice to Ernest L Mutter Heris, Ira C Mutter, Andrew D Mutter, Wanda Padgett, Ema M. Mutter, Dallas Hess, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman et vir that the Board would consider this disbursement authorization at its hearing on May 17, 2011 and consider whether to: (1) amend the Pooling Order to provide for the specific disbursement of funds on deposit in the Escrow Account attributable to Tracts 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I 1J and 3B identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to said Tracts 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I 1J and 3B relative to the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties in other tracts under this order subject to continued payment in the escrow.
- 4.5 The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

5. **Findings:**

5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as

between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

5.2 Applicant has certified and represented to the Board that:

- (1) Because payments into escrow continued in error after disbursement in January, February and March of 2011 additional disbursements are due for the gas ownership interests of Ernest L Mutter Heris, Ira C Mutter, Andrew D Mutter, Wanda Padgett, Erna M. Mutter, Dallas Hess, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman et vir of the Subject Drilling Unit Y26;
- (2) Specific payment amounts to be disbursed to each Applicant is shown in Table 1.

VGOB Approved Disbursement
VGOB-01-0918-0923-02 (Special Disbursement Payment)
Y26
Table 1

Acreage
Fraction

Acreage
Interest

Disbursement
\$

Item	Tract	Disbursement Table			Jan-11 Check 91242	Feb-11 Check 95919	Mar-11 Check 95919	
1	IB	Ira C Mutter / Box 326 / Rich Creek, VA 24147	1	17.9900	159.89	242.79	241.30	\$ 643.98
		Interest Due			0.07	0.11	0.11	\$.028
		Total			159.96	242.90	241.41	\$ 644.26
2	IC	Andrew D Mutter / PO Box 86 / Oakwood, VA 24631	1	9.4100	83.90	127.40	126.62	\$ 337.92
		Interest Due			0.04	0.06	0.06	\$.015
		Total			83.94	127.46	126.68	\$ 338.07
3	ID	Wanda Padgett / POA Christine S Braun / 811 Victoria Hills Drive South / Deland, FL	1	1.1000	9.78	14.85	14.75	\$ 39.38
		Interest Due			0.00	0.01	0.01	\$.002
		Total			9.78	14.86	14.76	\$ 39.40
4	IF	Erna M. Mutter / PO Box 191 / Grundy, VA 24614	1	0.1900	1.69	2.56	2.55	\$ 6.80
		Interest Due			0.00	0.00	0.00	\$.000
		Total			1.69	2.56	2.55	\$ 6.80
5	IG	Dallas Hess / 670 south Canfield Niles Rd. / Youngstown, OH 44515	1	0.8900	7.91	12.01	11.94	\$ 31.86
		Interest Due			0.00	0.01	0.01	\$.001
		Total			7.91	12.02	11.95	\$ 31.87
6	IH	Monta Mutter / 1989 Bellewood Dr. / Mansfield, OH 44904	1	0.2200	1.96	2.97	2.95	\$ 7.88
		Interest Due			0.00	0.00	0.00	\$.000
		Total						\$ 7.88
7	II	Ferrell Mutter (Tamara L. Murray) / 2626 Chambers Road / Oakwood VA 24631	1	0.0900	0.80	1.21	1.21	\$ 3.22
		Interest Due			0.00	0.00	0.00	\$.000
		Total			0.80	1.21	1.21	\$ 3.22
8	IJ	Lydia M. Coleman et vir / 56 N. Brookwood Way / Mansfield, OH 44906	1	0.4000	3.56	5.40	5.37	\$ 14.33
		Interest Due			0.00	0.00	0.00	\$.001
		Total			3.56	5.40	5.37	\$ 14.34
COMBINED PAYMENT								
9	IA & 3B	Ruby G Mutter / PO Box 132 / Peterstown, WV 24963			48.99	74.40	73.94	\$ 197.33
		Interest Due			0.02	0.03	0.03	\$.009
		Total			49.01	74.43	73.97	\$ 197.42
10	IA & 3B	Marcus E. Mutter / PO Box 861 / Bluefield, WV 24701			48.99	74.40	73.94	\$ 197.33
		Interest Due			0.02	0.03	0.03	\$.009
		Total			49.01	74.43	73.97	\$ 197.42
11	IA & 3B	Brenda M. Skidmore / 279 Hidden Meadow Drive / Pearisburg, VA 24134			48.99	74.40	73.94	\$ 197.33
		Interest Due			0.02	0.03	0.03	\$.009
		Total			49.01	74.43	73.97	\$ 197.42
12	IA & 3B	Bruce V. Mutter / 25 Crestview Drive / Princeton, WV 24740			48.99	74.40	73.94	\$ 197.33
		Interest Due			0.02	0.03	0.03	\$.009
		Total			49.01	74.43	73.97	\$ 197.42

6. **Relief Granted:**

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, and, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to continue the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

7. **Conclusion:**

Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and **IT IS SO ORDERED.**

8. **Appeals:**

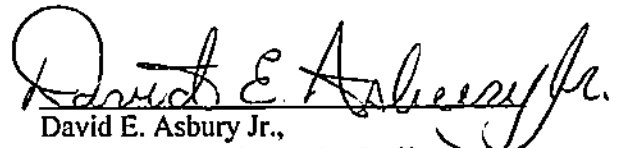
Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 17 day of May, 2011, by a majority of the Virginia Gas and Oil Board.

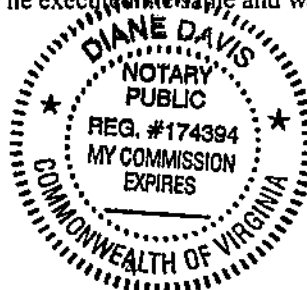

Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

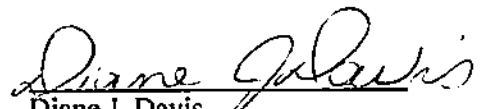
DONE AND PERFORMED this 17 day of May, 2011, by an Order of this Board.


David E. Asbury Jr.,
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF RUSSELL)

Acknowledged on this 17th day of May, 2011, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.




Diane J. Davis
Notary Public #174394

My commission expires: 09/_30_/2013__

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 01-0918-0923-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING previously disbursed TRACT(S) 1A, 1B, 1C, 1D, 1F, 1G, 1H, 1I, 1J, and 3B

DRILLING UNIT: Y26

HEARING DATE: May 17, 2011

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, SWARTZ LAW OFFICES, PLLC., 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) as depicted upon the annexed Exhibit A-1

3. Legal Authority: Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of well(s): Coalbed methane.

5. Factual basis for relief requested: Ruby G. Mutter, Marcus E. Mutter, Brenda M. Skidmore, Bruce V. Mutter, Ira C. Mutter, Andrew D. Mutter, Wanda Padgett, Erna M. Mutter, Herbert Hess, et ux, Monta Mutter, Ferrell Mutter, and Lydia M. Coleman, et vir are entitled to 100% of the Royalties according to the final order which was executed on July 7, 2009, Case No:070004220-00, adjudicating the ownership of coalbed methane gas. On November 16, 2010, the Board approved the disbursement of funds to the prevailing plaintiffs. The disbursement order was executed on December 17, 2010 and recorded in Buchanan County on December 21, 2010 at Instrument #100003362. First Bank and Trust issued checks to the prevailing plaintiffs on January 6, 2011. Although the disbursement from escrow had taken place, CNX continued to pay funds attributable to their interest into the escrow account in January, February and March of 2011 in error. The attached Exhibit A-1 further specifies the exact dollar amount that should be disbursed and paid to each individual.

6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

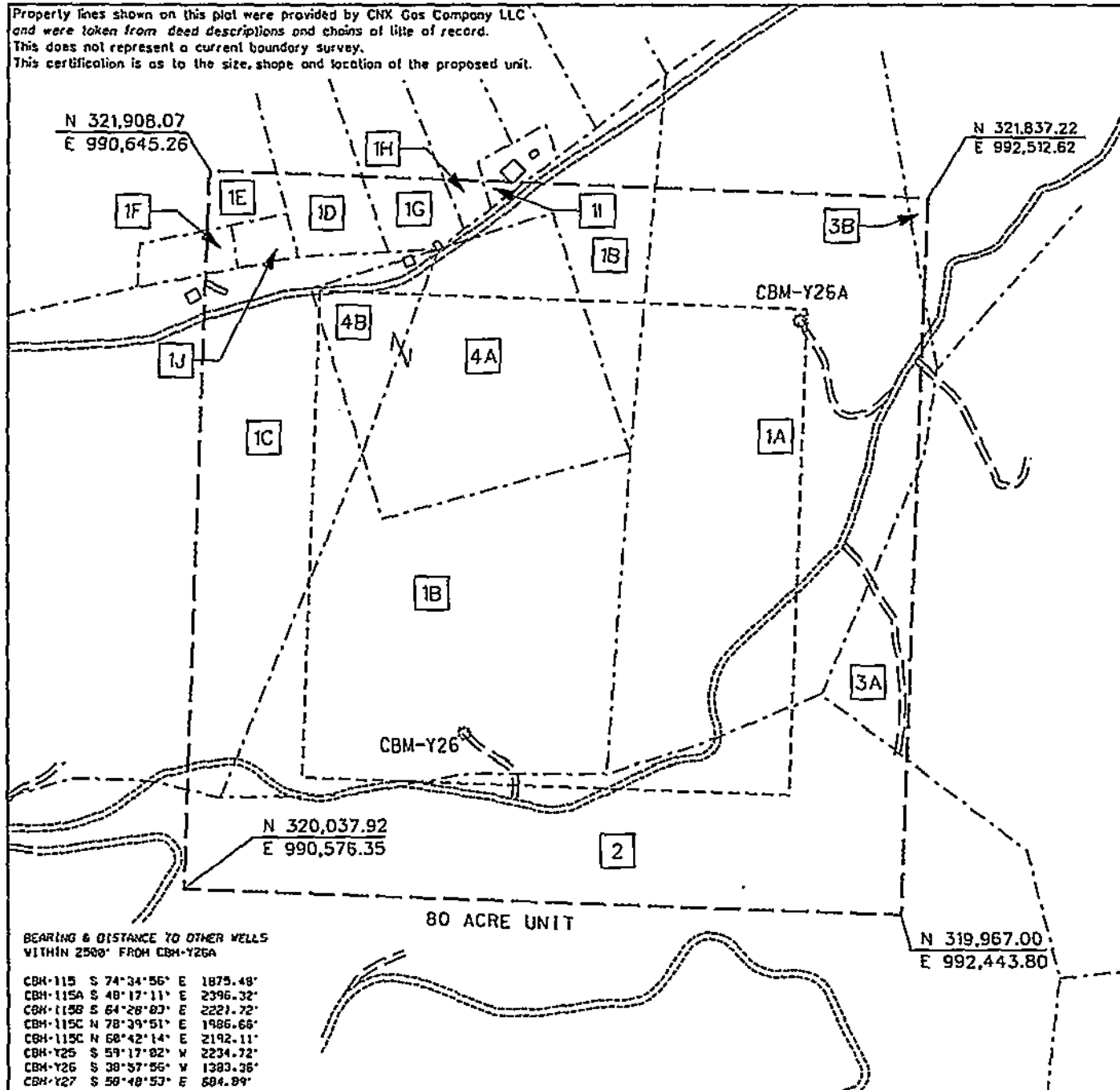
CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: _____

Anita D. Duty
Pooling Supervisor
CNX Land Resources, Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701



Property lines shown on this plat were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.



BEARING & DISTANCE TO OTHER WELLS
WITHIN 2500' FROM CBM-Y26A

CBM-115 S 74°34'56" E 1875.48'
CBM-115A S 48°17'11" E 2396.32'
CBM-115B S 64°28'07" E 2221.72'
CBM-115C N 78°39'51" E 1986.68'
CBM-115D N 68°42'14" E 2192.11'
CBM-Y25 S 59°17'02" W 2234.72'
CBM-Y26 S 38°57'56" W 1389.36'
CBM-Y27 S 59°48'53" E 684.89'

○ CBM WELL
⊙ PROPOSED HORIZONTAL WELL
⊕ PROPOSED CBM WELL

EXHIBIT A
OAKWOOD FIELD
UNIT Y26
FORCE POOLING
VGOB 01-0918-0923-01

Company CNX Gas Company LLC

Well Name and Number UNIT Y26

Tract No. _____ Elevation _____

Quadrangle KEEN MOUNTAIN

County BUCHANAN District HURRICANE/GARDEN

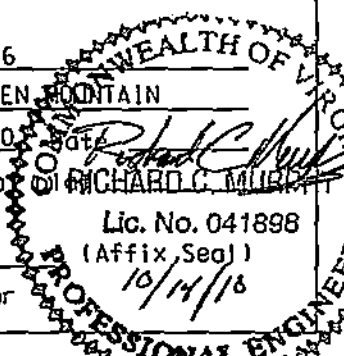
Scale: 1" = 400'

This plat is a new plat _____ ; an updated plat X ; or a final plat _____

Form DGO-GO-7
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

Lic. No. 041898
(Affix Seal)
10/14/16



60

CNX Gas Company LLC

Unit Y 26

Tract Identifications

- 1A. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Jill Skidmore (a.k.a Brenda M. Skidmore) (Ernest L. Mutter Heirs) (26.50 Acre Tract) – Surface, Oil,
Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
21.90 Acres 27.3750%
- 1B. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Ira C. Mutter – Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
17.99 Acres 22.4875%
- 1C. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Andrew Mutter – Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
9.44 Acres 11.8000%
- 1D. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Christine S. Braun, et al - Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
1.10 Acres 1.3750%
- 1E. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
R.D. Blankenship - Surface, Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.58 Acres 0.7250%
- 1F. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal
Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Erna M. Mutter – Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
Lydia Coleman - Surface
0.19 Acres 0.2375%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

- 1G. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Herbert Hess, et ux - Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.89 Acres 1.1125%
- 1H. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Monta Mutter - Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.22 Acres 0.2750%
- 1I. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Tamara L. Murray, et al – Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.09 Acres 0.1125%
- 1J. Hugh MacRae Land Trust Tr. 10 (Reese R. Mutter, et ux 398.00 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Lydia M. Coleman, et vir - Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.40 Acres 0.5000%
2. Hugh MacRae Land Trust Tr. 21 (George A. Warder 687.00 Acre) – Fee Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
15.44 Acres 19.3000%
- 3A. Hugh MacRae Land Trust Tr. 17 (D.G. Rakes, et ux 632.50 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
CNX Gas Company LLC – Oil, Gas and CBM
Consolidation Coal Company – Surface
1.90 Acres 2.3750%
- 3B. Hugh MacRae Land Trust Tr. 17 (D.G. Rakes, et ux 632.50 Acre) – Coal Consolidation Coal Company – Below Drainage Coal Leased
CNX Gas Company LLC – CBM Leased
Jill Skidmore (a.k.a Brenda M. Skidmore) (Ernest L. Mutter Heirs) (29.20 Acre Tract) – Surface, Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
0.15 Acres 0.1875%
- 4A. Ernest L. Mutter, et al (Jacob Mutter Heirs) (10.00 Acre Tract) – All Minerals Consolidation Coal Company – Below Tiller Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
Ira C. Mutter – Surface
7.90 Acres 9.8750%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

- 4B. Ernest L. Mutter, et al (Jacob Mutter Heirs) (10.00 Acre Tract) – All Minerals
Consolidation Coal Company – Below Tiller Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
Andrew Mutter – Surface
1.81 Acres 2.2625%

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

Page 3 of 3

October 13, 2010

Exhibit E
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
--	---------------	--------------------

Tract #1E - 0.58 acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.58 acres	0.7250%
--	------------	---------

CBM Royalty owner (from the Coal Owner only):

Torch Oil & Gas Company (Torch Energy Advisors, Inc.)
c/o Sue Ann Craddock
670 Dona Ana Road SW
Deming, NM 88030

OIL & GAS OWNERSHIP

(1) R.D. Blankenship * 6707 Melville Drive Chesterfield, VA 23832	0.58 acres	0.7250%
---	------------	---------

* Although R.D. Blankenship was party to the suit against HMLT, the vesting deed to this property was missing from the Order. Attorney is aware of the problem and will have the Order amended

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1A - 21.90 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh Macrae Land Trust, Tr.10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	21.90 acres	27.3750%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <u>Royalties will be paid 100% to the prevailing plaintiffs.</u>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Jill Skidmore (aka Brenda M. Skidmore) (Ernest L. Mutter Heirs 26.50 Acre Tract)	21.90 acres	27.3750%
**** Per will, Jill Skidmore aka Brenda Skidmore owns the property, however the royalties are to be paid to Ruby Mutter (wife) and 3 children equally (1/4).		
(a) Brenda M. Skidmore**** 279 Hidden Meadow Drive Pearisburg, VA 24134	21.90 acres	27.3750%
<u>Royalties paid in accordance to the will of Ernest L. Mutter:</u>		
Ruby G. Mutter HC 81 Box 132 Peterstown, WV 24963	5.48 acres 1/4 of 21.90 acres	6.8438%
Marcus E. Mutter P.O. Box 861 Bluefield, WV 24701	5.48 acres 1/4 of 21.90 acres	6.8438%
Brenda M. Skidmore**** 279 Hidden Meadow Drive Pearisburg, VA 24134	5.48 acres 1/4 of 21.90 acres	6.8438%
Bruce V. Mutter 25 Crestview Drive Princeton, WV 24740	5.48 acres 1/4 of 21.90 acres	6.8438%
<u>The owner(s) listed above are the prevailing plaintiffs under Case No. 070004220-00 executed July 7, 2009</u> <u>The plaintiffs are due 100% of all payments made directly the owners.</u>		

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1B - 17.99 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	17.99 acres	22.4875%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i><u>Royalties will be paid 100% to the prevailing plaintiffs.</u></i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Ira C. Mutter Box 326 Rich Creek, VA 24147	17.99 acres	22.4875%
<u>Tract #1C - 9.44 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	9.44 acres	11.8000%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i><u>Royalties will be paid 100% to the prevailing plaintiffs.</u></i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Andrew D. Mutter P.O. Box 86 Oakwood, VA 24631	9.44 acres	11.8000%

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1D - 1.10 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	1.10 acres	1.3750%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i>Royalties will be paid 100% to the prevailing plaintiffs, _____</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Christine S. Braun et al 1426 John Anderson Drive Ormond Beach, FL 32176 <i>Wanda Padgett conveyed by deed to Christine S. Braun April 27, 2004, Wanda retained her CBM rights</i>		
(a) Wanda Padgett POA Christine S. Braun 811 Victoria Hills Drive South Deland, FL 32724-8844	1.10 acres	1.3750%
<u>Tract #1F - 0.19 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.19 acres	0.2375%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i>Royalties will be paid 100% to the prevailing plaintiffs, _____</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Erna M. Mutter P.O. Box 191 Grundy, VA 24614	0.19 acres	0.2375%

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1G - 0.89 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.89 acres	1.1125%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i>Royalties will be paid 100% to the prevailing plaintiffs.</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Herbert Hess, et ux 670 South Canfield Niles Rd. Youngstown, OH 44515	0.89 acres	1.1125%
<u>Tract #1H - 0.22 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.22 acres	0.2750%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <i>Royalties will be paid 100% to the prevailing plaintiffs.</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Monta Mutter 1989 Bellewood Dr. Mansfield, OH 44904	0.22 acres	0.2750%

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>Tract #1I - 0.09 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.09 acres	0.1125%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009 Royalties will be paid 100% to the prevailing plaintiffs.</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Tamara L. Murray, et al		
(a) Tamara L. Murray Rt. 2 Box 36 Oakwood, VA 24631 Ownership is subject to Life Estate established 8/8/1995 in 1/8th interest of Ferrell W. Mutter.		
(b) Ferrell Mutter 2626 Chambers Road Oakwood, VA 24631 Retained a Life Estate but signed a lease November 25, 1991. Ferrell will receive the benefit of CBM royalties for his lifetime	0.09 acres	0.1125%

Tract #1J - 0.40 acres

COAL OWNERSHIP

(1) Hugh MacRae Land Trust, Tr. 10 (Reese R. Mutter, et ux 398.00 Acre Tract) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.40 acres	0.5000%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009 Royalties will be paid 100% to the prevailing plaintiffs.</i>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
<u>OIL & GAS OWNERSHIP</u>		
(1) Lydia M. Coleman, et vir 56 N. Brookwood Way Mansfield, OH 44906	0.40 acres	0.5000%
<u>Tract #3A - 1.90 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 17 (D.G. Rakes, et ux 632.50 Acre) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	1.90 acres	2.3750%
<u>CBM Royalty owner (from the Coal Owner only)</u>		
Torch Oil & Gas Company (Torch Energy Advisors, Inc.) c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) CNX Gas Company LLC 2481 John Nash Blvd Bluefield, WV 24701	1.90 acres	2.3750%
<u>Tract #3B - 0.15 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Hugh MacRae Land Trust, Tr. 17 (D.G. Rakes, et ux 632.50 Acre) c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022	0.15 acres	0.1875%
<i>Although the deed from Hugh Macrae Land Trust to Torch Operating Company conveyed the Coal owners' claim to CBM, CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 07000420-00 executed on July 7, 2009</i> <u>Royalties will be paid 100% to the prevailing plaintiffs.</u>		
Torch Oil & Gas Company c/o Sue Ann Craddock 670 Dona Ana Road SW Deming, NM 88030		
<u>OIL & GAS OWNERSHIP</u>		
(1) Jill Skidmore (aka Brenda M. Skidmore) (Ernest L. Mutter Heirs 29.20 Acre Tract)	0.15 acres	0.1875%
**** Per will, Jill Skidmore aka Brenda Skidmore owns the property, however the royalties are to be paid to Ruby Mutter (wife) and 3 children equally (1/4).		

Exhibit EE
Unit Y-26
Docket # VGOB 01-0918-0923-02
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit
(a) Brenda M. Skidmore**** 279 Hidden Meadow Drive Pearisburg, VA 24134	0.15 acres	0.1875%

Royalties paid in accordance to the will of Ernest L. Mutter:

Ruby G. Mutter HC 81 Box 132 Peterstown, WV 24963	0.038 acres 1/4 of 0.15 acres	0.0469%
Marcus E. Mutter P.O. Box 861 Bluefield, WV 24701	0.038 acres 1/4 of 0.15 acres	0.0469%
Brenda M. Skidmore**** 279 Hidden Meadow Drive Pearisburg, VA 24134	0.038 acres 1/4 of 0.15 acres	0.0469%
Bruce V. Mutter 25 Crestview Drive Princeton, WV 24740	0.038 acres 1/4 of 0.15 acres	0.0469%

The owner(s) listed above are the prevailing plaintiffs under Case No. 070004220-00 executed July 7, 2009
The plaintiffs are due 100% of all payments made directly the owners.

Exhibit A-1

Funds Paid to Escrow after Disbursement on January 6, 2011

Unit Y26, VGOB # 01-0918-0923-02

Name	20-Jan-11	21-Mar-11	Total Amount Due to owners	
	Ck# 91242	Ck# 94236	Ck# 95919	
	\$470.60	\$714.60	\$710.23	\$1,895.43
COLEMAN, LYDIA M.	\$3.56	\$5.40	\$5.37	\$14.32
HESS, DALLAS	\$7.91	\$12.01	\$11.94	\$31.86
MUTTER SKIDMORE, BRENDA	\$48.99	\$74.40	\$73.94	\$197.33
MUTTER, ANDREW D.	\$83.90	\$127.40	\$126.62	\$337.92
MUTTER, BRUCE	\$48.99	\$74.40	\$73.94	\$197.33
MUTTER, ERNA	\$1.69	\$2.56	\$2.55	\$6.80
MUTTER, FERRELL W.	\$0.80	\$1.21	\$1.21	\$3.22
MUTTER, IRA	\$159.89	\$242.79	\$241.30	\$643.98
MUTTER, MARCUS	\$48.99	\$74.40	\$73.94	\$197.33
MUTTER, MONTA	\$1.96	\$2.97	\$2.95	\$7.88
MUTTER, RUBY	\$48.99	\$74.40	\$73.94	\$197.33
PADGETTE, WANDA	\$9.78	\$14.85	\$14.75	\$39.38
FIRST BANK & TRUST Tr. (Escrow)	\$5.15	\$7.83	\$7.78	\$20.76
Total	\$470.60	\$714.60	\$710.23	\$1,895.43

Note: Disbursement from Escrow was made on Jan. 6, 2011 and confirmed via email from David Asbury on February 3, 2011.

First Bank and Trust was not on hold - payments continued to be made into escrow for the owners that were previously approved for disbursement at the November 16, 2010 hearing.

B4

\$2800

INSTRUMENT #110001978
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 11, 2011 AT 02:31PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GSB